FISCAL NOTE

TO: Chief Clerk of the Senate

Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 19, 1995

SUBJECT: **SB 152 - HB 475**

This bill, if enacted, will allow nonresidents to be admitted to a Tennessee institution of higher education without paying out-of-state tuition if the student's place of residence is within a 30-mile radius of the city in which the main campus is located. Such nonresidents admitted without tuition will apply only to undergraduate enrollment and shall not exceed 3% of the undergraduate FTE of the institution.

The bill provides that any additional expense incurred by institutions of higher education for implementation shall be met by the institutions for the 1995-96 fiscal year through funds otherwise available for the operation of public higher education institutions in the 1995-96 fiscal year.

The fiscal impact from enactment of this bill is estimated to be a decrease in school revenues of approximately \$3,600,000. This estimate is based on approximately 900 students attending the border institutions that will become eligible for a fee waiver under the provisions of the bill. Details are shown below:

Tennessee Board of Regents Institutions
711 students x \$3,934 \$2

\$2,797,074

University of Tennessee Institutions 206 students x \$3,934

810,404

Decrease in School Revenues

\$3,607,478

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

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